

ORDINANCE NO. 3360

AN ORDINANCE AMENDING CHAPTER 6.08 AND ADDING CHAPTER 6.90 OF THE SAN LUIS OBISPO COUNTY CODE RELATING TO BUSINESS LICENSURE AND REGULATION OF CANNABIS BUSINESSES

WHEREAS, it is the desire and intent of the Board of Supervisors of San Luis Obispo County to allow for the licensing of cannabis businesses.

NOW THEREFORE, The Board of Supervisors of the County of San Luis Obispo, State of California, ordains as follows:

SECTION 1: Chapter 6, section 6.08.051.1 of the San Luis Obispo County Code is amended to read as follows:

6.08.051.1 - Prerequisite to issuance of business licenses.

Prior to issuance of a business license by the tax collector, license applications for the following business categories shall be submitted to the specified regulatory departments for their review:

- (1) The application to carry on any business in the county shall be first submitted to the county planning and building director for approval or denial pursuant to Title 22 or Title 23 of this code before a business license may be issued by the tax collector. No license shall be issued to carry on any business at a specific location where the business location or structure would be in violation of Title 22 or Title 23 of this code.
- (2) The application for a business license must be presented to the sheriff for review and recommendations in relation to the following businesses as a prerequisite to the issuance of a license:
 - a. Amusement parlor or similar activity;
 - b. Body art establishments;
 - c. Card games and tables;
 - d. Massage establishments and massage technicians not exempted by state law;
 - e. Mobile ice cream vendors;
 - f. Roadhouse, tavern, bar and/or night clubs, and/or any establishments in which the primary intention is to serve or provide alcoholic beverages;
 - g. Sale of firearms;
 - h. Solicitors and canvassers;
 - i. Taxicabs;
 - j. Transient merchants, itinerant merchants, and itinerant vendors;
 - k. Cannabis businesses, as described in chapter 6.90 of this code

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SECTION 2: Chapter 6.90 (Cannabis Business) of the San Luis Obispo County Code is amended to read:

Chapter 6.90 – Cannabis Businesses

Sections:

6.90.010 – County Business License Required.

It is unlawful for any person or party to conduct a cannabis related business within the unincorporated areas of the county without first obtaining a license in compliance with the provisions of this title.

6.90.020 - Definitions.

As used in this chapter, the words and terms shall have the meanings generally ascribed to them, unless from the context a different meaning is clearly apparent.

- (1) "Cannabis Business" shall mean the same as "Cannabis Activity," as defined in Section 22.80.030 of San Luis Obispo County Code and Chapter 6 Section D of the Framework for Planning – Coastal Zone of the County General Plan, and means any of the allowed uses, including but not limited to cultivation, manufacturing, testing facilities, or distribution of cannabis and related items. Does not include activities related to "Industrial Hemp".

6.90.030 – Cannabis Businesses—Form of application.

Subsections (1) through (8) will be completed in the presence of the tax collector; subsections (9) through (14) will be completed by the sheriff, followed by a thirty (30) day waiting period for the investigation pursuant to subsection 6.90.040.

Every application for a license to conduct a cannabis related business required by this chapter shall be signed by the applicant and shall contain the following:

- (1) The name and mailing address of the applicant. If the applicant is a corporation, the name shall be exactly as set forth in its articles of incorporation and all of the information required below shall be required of an officer of the corporation. If the applicant is a partnership, the name and address of each general partner shall be stated and the information required below shall be required of each general partner. If one or more of the partners is a corporation, the provisions of this title as to a corporate applicant apply.
- (2) The names of all other persons having an interest in the enterprise;
- (3) If the applicant is a corporation, the name and mailing address of an officer who is duly authorized to accept the service of legal process;
- (4) A brief description of the nature of the business and the services to be rendered;

- (5) The place and manner in which the services are to be rendered;
- (6) The telephone number of the applicant;
- (7) The email address of the applicant;
- (8) The name under which the applicant will be doing business;
- (9) A clear photograph showing the head and shoulders of the applicant, two by three inches in size;
- (10) The physical description of the applicant;
- (11) Proof that the applicant is at least eighteen years of age;
- (12) The fingerprints of the applicant and other evidence as will enable an investigator to properly evaluate the character and business responsibility of the applicant;
- (13) A statement as to whether or not the applicant, or any of the persons having an interest in the enterprise, has been convicted of a felony or misdemeanor, and if so, the nature of the offense and the date the sentence, penalty, probation, or other obligations were completed;
- (14) A statement as to whether or not the applicant, or any of the persons having an interest in the enterprise, is required to register as a sex offender under the provisions of Section 290 of the California Penal Code.

6.90.040 - Investigation.

- (a) Upon completion of application, the original shall be submitted to the sheriff, who shall cause the investigation of the applicant's business and moral character to be made, as is deemed necessary for the protection of the public good.
- (b) Upon receipt of application, the sheriff shall have thirty days in which to conduct an investigation and respond to the tax collector.
- (c) In an extraordinary case, for good cause shown, the tax collector may allow the sheriff more time than is stated in this section to complete its investigation and response to the tax collector.

6.90.050 - Recommendation for denial of application.

- (a) If, as a result of the investigation, the grounds for denial of a license pursuant to Section 6.08.006 are present, the sheriff shall return a copy of the application, together with a recommendation for denial, to the tax collector, who shall notify the applicant that the application has been denied.
- (b) Any person whose application has been denied a license shall have the right to a hearing and/or appeal as provided under Sections 6.08.170 and 6.08.180 of this title.

6.90.060 - Application approval.

If, as a result of such investigation, the character and business responsibility of the applicant are found to be satisfactory, the sheriff shall approve the application for the carrying on of the business applied for and send notice of the approval of the application to the tax collector.

In the absence of any response from the sheriff within the thirty (30) day period for investigation, upon presentation of the receipt from the applicant to the tax collector showing that the time limit has been exceeded, the tax collector will assume a favorable response by the sheriff and proceed with the processing of the license application accordingly.

6.90.070 - Prerequisites to issuance.

- (1) Prior to the initial issuance of a license and at each application for renewal, the application for a cannabis business license must be presented to the Director of Planning and Building, and the applicant must obtain a land use authorization, in relation to the business.
- (2) Cannabis businesses engaging in cannabis cultivation, as that term is defined in Section 22.30.080 of the San Luis Obispo County Code and Chapter 6 Section D of the Framework for Planning – Coastal Zone of the County General Plan, shall obtain the following additional approvals:
 - (a) Prior to the initial issuance of a license and at each application for renewal, the application for a cannabis business license must be presented to the County Agricultural Commissioner, and the applicant must obtain a pesticide license or exemption pursuant to Title 5 of the San Luis Obispo County Code.
 - (b) Prior to the initial issuance of a license and at each application for renewal, the application for a cannabis business license must be presented to the Central Coast Regional Water Quality Control Board, and the applicant must obtain a discharge permit or exemption. Proof of permit or exemption shall be presented to the Director of Planning and Building pursuant to subsection (1), above.

6.90.080 - Contents of issued license.

- (a) Every business license for a cannabis business issued shall state:
 - (1) The name of the person, firm, association, or corporation to which it is issued,
 - (2) That the license is issued for a cannabis related business,
 - (3) The location of the business,
 - (4) The date of issuance,
 - (5) The period of time for which it is issued,
 - (6) The license fee received, and
 - (7) The expiration date.

- (b) Each license issued shall also state any special restrictions or conditions that may limit the business.
- (c) The business license shall be sealed by the tax collector.

6.90.090 - Expiration of license.

- (a) All licenses issued under this title shall expire as set forth in Section 6.08.030 of this title, and are renewable as set forth in Section 6.08.090.
- (b) All renewals of cannabis business licenses shall be conditioned upon proof of completion of annual review by sheriff and planning department, pursuant to Sections 6.90.040 and 6.90.070 respectively.

6.90.100 - Display of licenses required.

For any cannabis business, the business license shall be displayed in a conspicuous place on the premises at all times.

INTRODUCED at the regular meeting of the Board of Supervisors held on the 22nd day of August, 2017, and PASSED and ADOPTED by the Board of Supervisors of the County of San Luis Obispo, State of California, on the 27th day of November, 2017, by the following roll call vote, to wit:


AYES: Supervisors Bruce S. Gibson, Adam Hill, Lynn Compton, Debbie Arnold, and Chairperson John Peschong

NOES: None

ABSENT: None

ABSTAINING: None

The foregoing ordinance is hereby adopted.


Chairman of the Board of Supervisors
of the County of San Luis Obispo,
State of California

ATTEST:

TOMMY GONG
County Clerk and Ex-Officio
Clerk of the Board of Supervisors,
County of San Luis Obispo

By: Annette Ramirez
Deputy Clerk